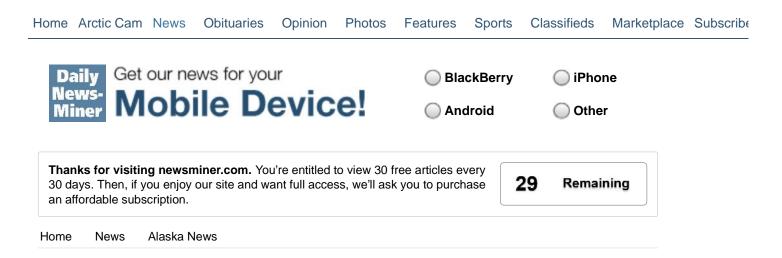




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# Alaska governor issues order to halt 6 megaprojects



latest by Alaska's new governor as the state faces a difficult budget year brought on by the plummeting price of oil.

Walker's executive order is directed at the Ambler road, Juneau access road, Susitna-



Watana Dam, Kodiak Launch Complex, Knik Arm Crossing and the Alaska Stand-Alone Pipeline Project.

"Our budget deficit grows deeper as oil prices go lower," Walker said in a news release Saturday morning. "These are large projects that require significantly more state investment to complete.

"I've requested that state agencies not enter into any new contracts until we've had a chance to look at the various projects."

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Walker asked that the agencies in charge of the projects submit by Jan. 5 a report detailing operating costs so far, all funding obligations, and the potential effects of delaying, suspending or terminating contracts.

"This is a way for us to not commit new money into projects that may not be continued during this fiscally challenging time," Walker said.

Work on the executive order began shortly after Walker cut the Susitna-Watana Dam, the Ambler road and Knik Arm bridge from the proposed fiscal 2016 capital budget he inherited from former Gov. Sean Parnell, his news release said. The new fiscal year starts July 1.

The capital and operating budgets were submitted on Dec. 15, the statutory deadline.

The price of a barrel of Alaska North Slope crude has fallen from a high of \$113 in late June to about \$60 last week. The state is projecting a \$3.5 billion budget deficit for the current fiscal year, which ends June 30, and a comparable deficit for fiscal 2016.

Walker, who ousted Parnell in the November election, is pessimistic about a rebound in prices.

Saturday's announcement follows Walker's other budget action on Friday in which he sent a letter to his department commissioners requesting they recommend by Jan. 10 potential cuts in their agencies for the coming fiscal year. He asked them to study the impact of 5 percent and 8 percent cuts from Parnell's proposed fiscal 2016 budget.

"With holiday celebrations winding down and oil prices dipping, it's time we all roll up our sleeves and get to work on reducing costs," Walker said.

Walker said he plans to submit a revised budget proposal by the Feb. 18 statutory deadline for submitting amendments. His administration has set up a website through which Alaskans can suggest ideas for reducing the budget.

2 of 8

The 29th Alaska Legislature opens the first 90-day session of its two-year term on Jan. 20.

Legislative leaders wrote to Walker on Tuesday urging several actions, including asking that budget amendments be submitted as early as possible so that the Legislature can consider them.

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The letter also suggests Walker take several other actions, among them imposing an immediate hiring freeze, restricting agency travel, and reviewing capital appropriations authorized more than five fiscal years ago and make recommendations to re-appropriate funds of some projects.

The letter was signed by incoming Senate President Kevin Meyer, R-Anchorage; House Speaker Mike Chenault, R-Nikiski; incoming Senate Finance Co-Chairs Sens. Anna MacKinnon, R-Eagle River/East Anchorage, and Pete Kelly, R-Fairbanks; and House Finance Co-Chairs Reps. Steve Thompson, R-Fairbanks, and Mark Neuman, R-Big Lake.

Walker responded in a letter to the leaders on Friday.

"Weeks prior to receiving your correspondence," his three-paragraph letter says in part, "my administration was in the process of considering the specific budget recommendations you have outlined, as well as others, the implementation of which will likely occur after January 1, 2015. Further details will be forthcoming."

Gov. Bill Walker has a website at which people can suggest ways to cut Alaska's budget:

http://gov.alaska.gov/Walker/press-room/budget-survey.html

Contact Managing Editor Rod Boyce at 459-7585. Follow him on Twitter: @FDNMeditor.

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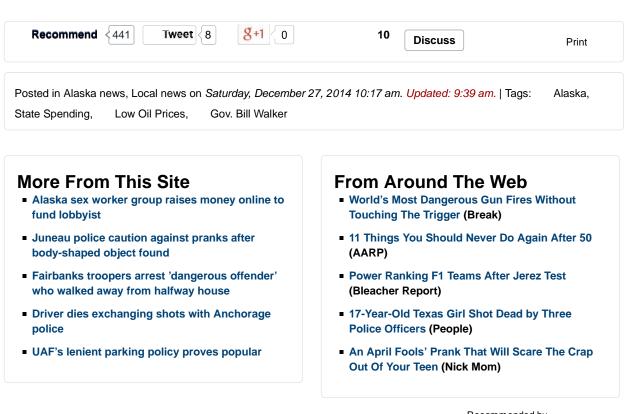
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Renee Knafel-Bullock · Top Commenter

wow I'm impressed really okay then lets give him the wheel and see what happens, thumbs up on the tracking the wasting of money

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Montana Mike ⋅ Top Commenter ⋅ Works at Self-Employed

Good Job Governor Walker and Staff!

Reply · Like · 17 · December 27, 2014 at 2:59pm



Tom Roberts · Top Commenter · Works at University of Alaska Fairbanks

So much for the craftily constructed house of cards built by the "traditional" Alaskan republicans...

Walker seems to be another Jay Hammond... GO, GOVERNOR WALKER!!!!

Reply · Like · 11 · December 28, 2014 at 1:54am



Tara Jollie · Top Commenter · University of Washington

I like Governor Walker's work ethic and his thoughtful and analytic approach to budget reductions. I'm hoping he gets cooperation and support from the Legislature. LeadDog Alaska

Reply · Like · 10 · Edited · December 28, 2014 at 6:50am



**Nels Anderson Jr.** · Top Commenter · Works at Retired

Great start on budget cuts that the House and Senate majorities are demanding. Now, we need some action of lowering the cost of energy for Alaskans.

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Russ Newell · Top Commenter · Works at Retired

The falling price of heating oil has helped me heat my home. It is too bad that the heating oil is now being transported up as Koch Industries shut down the refinery here in town. I guess that is what happens when you invite Koch Industries into your neighborhood (and elect their candidates to the Senate).

Reply · Like · 9 · December 27, 2014 at 3:48pm



Frank Colitivito · Top Commenter · Fairbanks, Alaska

Oh please, talk about spin! It's the H and S republican majorities that have gotten us into this problem to start with.

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**Benjy Davidson** · Top Commenter · UAF

"It's the H and S republican majorities that have gotten us into this problem to start

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